
MINUTES OF THE PROCEEDINGS

REGULAR MEETING

OF THE RETIREMENT BOARD OF THE

POLICEMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO

HELD

FRIDAY – DECEMBER 21, 2018

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago (the Fund) was held 9:00 a.m. December 21, 2018 at the office of the Fund, 221 North LaSalle Street, Suite 1626, Chicago, Illinois for the consideration of applications and bills, and for other such matters that came before the Board. The contents of this meeting were transcribed by Esquire Deposition Solution LLC Court Reporters and are made a part of the record.

PRESENT: Trustees Beyna, Brown, Fields, Hamburger, Lappe, Summers, Wodnicki, Wright 8.

ABSENT: 0.

PRESIDING: Vice President Hamburger

Vice President Hamburger called the meeting to order.

The first order of business was Trustee Beyna read into the record 'On December 17th, 2018, Chicago Police Officer Conrad Gary was killed in the line of duty when he was struck by a passing train while investigating a call of shots fired.'

Trustee Beyna made a motion to grant Kelly Gary, wife and beneficiary of Officer Conrad Gary, an in-the-line-of-duty death benefit of \$12,000. Motion seconded by Trustee Wright.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

Trustee Beyna read the following into the record, 'On December 17th, 2018, Chicago Police Officer Eduardo Marmolejo was killed in the line of duty when he was struck by a passing train while investigating a call of shots fired.'

Trustee Beyna made a motion to grant to Maria Marmolejo, wife and beneficiary of Officer Eduardo Marmolejo, the line-of-duty death benefit of \$12,000. Motion seconded by Trustee Lappe.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

The next order of business was the election of Retirement Board Officers for the Policemen's Annuity and Benefit Fund.

ELECTION OF OFFICERS

Nomination made by Trustee Lappe of Thomas Beyna for the position of President, seconded by Trustee Wright.

No other nominations were made.

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VOTE on the nomination.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

Nomination made by Trustee Wright, of Carol Hamburger for the position of Vice President, seconded by Trustee Lappe.

No other nominations were made.

VOTE on the nomination.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

Nomination made by Trustee Hamburger of Brian Wright for the position of Recording Secretary, seconded by Trustee Lappe.

No other nominations were made.

VOTE on the nomination.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

President Beyna called for any member of the public in attendance to identify themselves and advise if they would like to address the Board.

In Attendance:

Rosemarie Giambalvo, as an observer only.

President Beyna called for a motion on the minutes from the regular Board of Trustee meeting held November 29, 2018.

Motion was made by Trustee Wright, seconded by Trustee Hamburger that the Board approve the minutes from the regular meeting held November 29, 2018.

ROLL CALL

For: Beyna, Brown, Hamburger, Wodnicki, Wright 5.

Absent: Fields, Summers 2.

Abstain: Lappe 1.

Against: 0.

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Trustee Beyna requested motions on Board orders submitted by the Board's legal counsel.

In the matter of **Michele M. Blaszc**, the Board finds that pursuant 40 ILCS 5/5-214.2, Blaszc' application for the benefits sought had to be made no later than February 17th, 2010, and her submission completed on November 8th, 2018, was not timely brought. Accordingly, the Board finds that Blaszc' application for police pension service credit prior to her appointment as a CPD officer for all or part of the time period requested is hereby denied.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board adopt the order on Michele Blaszc as submitted.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

President Beyna turned the meeting over to the Recording Secretary, Trustee Wright.

DOCKET

PAGE NO. REFERENCE

1 - 5 Incurred Expenses for the Month of December 2018.

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board approve the Obligations as detailed on pages 1 through 5.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

6 - 8 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations and Exempt Rank Refunds

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Refunds as detailed on pages 6 through 8.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

9 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Refunds as detailed on page 9.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

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PAGE NO. REFERENCE

10 Erroneous Refund

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Refund as detailed on page 10.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

11 - 13 Annuities [Summary pg. 14]

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Annuities as detailed on pages 11 through 13.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

15 Revised Annuities

It was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve the Revised Annuities as detailed on page 15.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

16 - 17 Annuities to Widows [Summary pg. 18]

It was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve the Annuities to Widows as detailed on pages 16 and 17.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

19 Annuities to Children

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Annuities to Children to Julian and Angelina Jimenez, and defer Ebony Jimenez for a hearing, as detailed on page 19.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

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20 Duty / Occupational Disease Disability Benefits.

a) **Harrison, John W.**

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board grant the officer subject to a full evidentiary hearing an ordinary disability benefit without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if it is deemed warranted.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

b) **Hawkins, Brian R.**

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board defer officer Hawkins claim pending additional information.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

21 - 22 Payments of Death Benefits [Summary pg. 23]

It was moved by Trustee Lappe, seconded by Trustee Beyna that the Board approve the Death Benefits as detailed on page 21 and 22.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

MISCELLANEOUS

24 REQUEST TO PURCHASE PENSION CREDIT FOR PRIOR COOK COUNTY SERVICE UNDER 5-214 (c)

Documentation verified, it was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve the prior service requests as detailed on page 24.

ROLL CALL

For: Beyna, Caldero, Hamburger, Hauser, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

25 GUARDIANSHIP APPOINTMENT

Romano, Nicole

Documentation verified; it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board acknowledge the guardianship appointment as detailed on page 25.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

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PAGE NO. REFERENCE

26 GUARDIANSHIP APPOINTMENT

Wood, Jo Ann

Documentation verified; it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board acknowledge the guardianship appointment as detailed on page 26.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

27 DISABILITY STATUS REVIEW

McBride, Byron

Documents, current medical reports and an affidavit from Officer McBride were reviewed.

Based on the documentation presented it was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board terminate Officer Byron McBride's disability benefits effective January 31, 2019.

ROLL CALL

For: Beyna, Hamburger, Lappe, Wodnicki, Wright 5.

Absent: Brown, Fields, Summers 3.

Against: 0.

GENERAL AGENDA COMPLETED.

President Beyna directed the meeting over to the Fund's investments and cash flow.

Comptroller Caroline Vullmahn began her presentation regarding the Fund's cash flow. Ms. Vullmahn distributed the PABF Cash Flow worksheet, which was reviewed with the Trustees and staff.

- An update regarding the cash flow expected position as of December 31, 2018.
- An updated schedule of the tax receipts and payments from the City of Chicago.

It was moved by Trustee Wright, seconded by Trustee Brown, to take up to \$26 million from Manulife, up to \$26 million from Wells Asset Management, up to \$8.7 million from NTGI Russell, up to \$11.5 million from William Blair SMID Growth and up to \$10.5 million from Fisher to meet cash flow needs for January 2019.

ROLL CALL

For: Brown, Beyna, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Fields, Summers 2.

Against: 0.

It was moved by Trustee Brown, seconded by Trustee Hamburger to fully liquidate the remaining balance of Clarion Real Estate, and that's going to be to fund our value-add real estate managers

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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President Beyna completed a brief recap on Performance.

The final investment item was review of one of the Fund's security litigation firms, which failed to meet the Fund's threshold policy, it is recommended not to proceed as the lead plaintiff in the case involving Tenaris, S.A.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board enter into Executive session per 2 (c)(11).

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.
Absent: Summers 1.
Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Wright, that the Board exit the Executive Session.

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.
Absent: Summers 1.
Against: 0.

DISABILITY MATTERS

*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve a neuropsych evaluation for **Bruce Jenkins**.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.
Absent: Summers 1.
Against: 0.

*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve a new Function Capacity Evaluation for **Richard Mint**.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.
Absent: Summers 1.
Against: 0.

*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve a letter of direction to **Robert Obrecki**.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.
Absent: Summers 1.
Against: 0.

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*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve a Functional Capacity Evaluation for **Jennifer Swain**.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve a responsive letter to **Michael Saladino**.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

*It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve reinstatement of disability benefits to **Tamica Rainey**, effective December 1, 2018.*

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

Next was a report from the Executive Director, Ken Kaczmarz.

- First item is authorization for signature authority for the executive director. The Board approved that the Executive Director would be signatory for items at the Northern Trust Bank, for transfers and such. The Northern Trust is looking for a Board resolution on that, and that language was distributed for review.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve the resolution for signature authority for the Northern Trust as submitted.

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

- The other item regarding signature authority on investment instructions shall be Trustee Beyna, Comptroller Vullmahn and recording secretary Trustee Wright.

It was moved by Trustee Hamburger, seconded by Trustee Brown that the Board approve the authorized signatures for investment instructions.

ROLL CALL

For: Brown, Beyna, Fields, Hamburger, Lappe, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

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- Updated information; the 12/31/2017, annual statements to active members, with Board amended changes shall be mailed before year's end.
- Executive Director shall be contacting trustees to finalize the document indicating that they have fulfilled their educational requirements through the past year. A compilation of educational conferences for 2019 that are coming up, was circulated to trustees and they can request Board authorization to attend as they see fit.
- The Executive Director distributed the budget to all Board members. There were some changes throughout the course of the meetings that are reflected herein, but the numbers have stayed the same. It is now presented for approval.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board enter into executive session per 2 (c)(11).

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Brown, seconded by Trustee Hamburger that the Board exit the executive session.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Summers that the Board enter into executive session per 2 (c)(1).

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board exit the executive session.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board enter into executive session per 2 (c)(11), with the Board members only present.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board exit the executive session.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

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*It was moved by Trustee Wright, seconded by Trustee Summer that the Board approve the **2019 operating budget** for the Fund with changes which will be communicated to the executive director.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

Meeting dates for 2019, with final revisions, were reviewed.

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the meetings dates for 2019.

ROLL CALL

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

The matter of **Jonathan Lewin** concerning his rank to receive credit in this fund was previously deferred.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve the commander rank credit for Jonathan Lewin.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

The was request to attend the OPAL c conference in January 2019.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve any trustee attendance at the 2019 OPAL Conference.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.

All business concluded for this date, December 21, 2018, *it was moved by Trustee Wright, seconded by Trustee Brown that this meeting be adjourned.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Summers, Wodnicki, Wright 8.

Absent: 0.

Against: 0.